e-conomic

Farlax Bidco ApS

Annual report 2013 (from the establishment of the Company 1. June - 31 December 2013)

CVR no. 35 37 67 04

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Farlax Bidco ApS for the financial year 1 June – 31 December 2013.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Company's financial position at 31 December 2013 and of the results of the Group's and the Company's operations and consolidated cash flows for the financial year 1 June – 31 December 2013.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 31 March 2014
Executive Board:

Torben Frigaard Rasmussen

Board of Directors:

Karen Slatford Chairman	Thore Ringgård	Torben Frigaard Rasmussen

Independent auditors' report

To the shareholder of Farlax Bidco ApS

Independent auditors' report on the consolidated financial statements and the parent company financial statements

We have audited the consolidated financial statements and the parent company financial statements of Farlax Bidco ApS for the financial year 1 June – 31 December 2013. The consolidated financial statements and the parent company financial statements comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the parent company and cash flow statement for the Group. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of consolidated financial statements and parent company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements and the parent company financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2013 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 June – 31 December 2013 in accordance with the Danish Financial Statements Act.

Independent auditors' report

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the consolidated financial statements and the parent company financial statements.

Odense, 31 March 2014
KPMG
Statsautoriseret Revisionspartnerselskab

Søren Smedegaard Hvid	Kenneth Skov Hansen
State Authorised	State Authorised
Public Accountant	Public Accountant

Management's review

Company details

Farlax Bidco ApS
Langebrogade 1
1411 København K

Telephone:	88 20 48 40
Fax:	88 20 48 42

CVR no.:	35 37 67 04
Established:	1 June 2013
Registered office:	Copenhagen
Financial year:	1 June - 31 December 2013

Executive Board

Torben Frigaard Rasmussen

Board of Directors

Karen Slatford (Chairman)
Thore Ringgård
Torben Frigaard Rasmussen

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Englandsgade 25
5000 Odense C

Annual general meeting

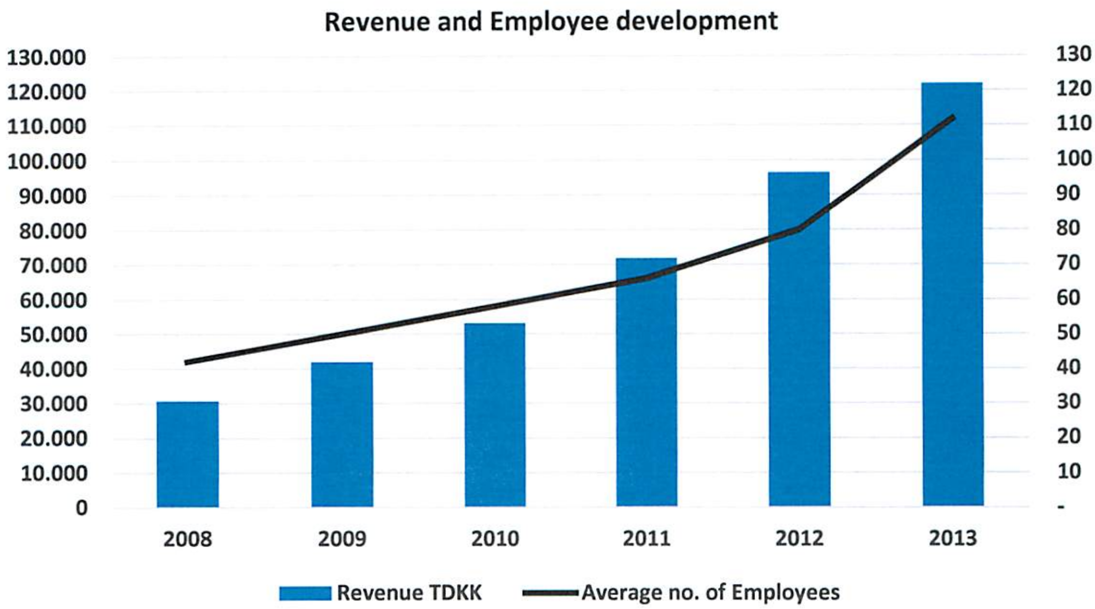
The annual general meeting is to be held on 31 March 2014.

Management's review

Introduction

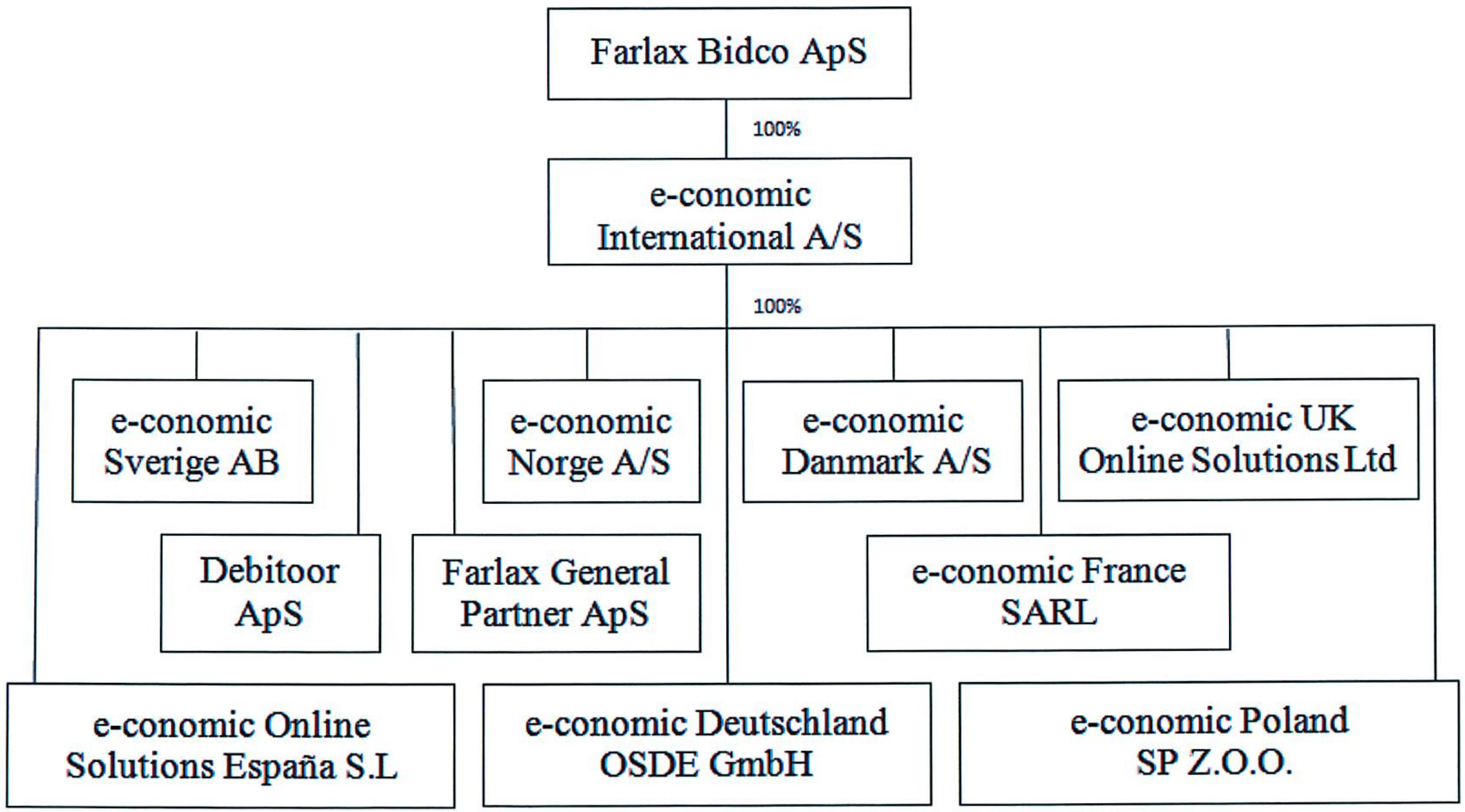
This has been a very exciting year for e-conomic. 2013 saw a change of ownership, continued strong revenue growth (26%), and the addition of 50 new colleagues to our organization. We are also very pleased to announce that, at year-end, more than 70,000 companies were using e-conomic as their accounting solution and more than 168,000 had signed up for our new freemium product, Debitoor. We look forward to continuing our growth and international expansion in 2014 and beyond.

Growth development



Management's review

Group chart



Management's review

Financial highlights for the Group

DKK'000	e-conomic International A/S Group 2009	2010	2011	2012	Pro-forma 2013	Farlax Bidco ApS Group 2013 1/6 - 31/12
P&L Highlights						
Revenue	41,891	53,090	71,840	96,401	121,887	63,815
EBITDA	4,550	5,142	12,180	17,212	-1,604	-5,376
Operating profit/loss (EBIT)	2,217	2,244	6,057	13,130	-75,515	-77,762
Financial items, net	923	1,519	217	-38	-490	356
Result for the year	**2,742**	**3,116**	**5,567**	**10,505**	**-67,057**	**-68,459**
Total assets	19,577	24,626	24,667	38,459	752,232	755,840
Goodwill and software					715,649	715,649
Capitalised R&D and other fixed assets	17,214	21,976	22,043	21,744	21,581	21,581
Equity	**30**	**1,297**	**6,659**	**16,779**	**597,796**	**597,796**
Cash flows from operating activities				18,159	4,032	115,395
Net cash flows from investing activities				-3,856	-628,225	-765,878
Cash flows from financing activities				-2,519	627,555	666,676
Total cash flows				**11,784**	**3,363**	**16,193**
Financial ratios						
EBITDA margin	10.9 %	9.7 %	17.0 %	17.9 %	-1.3 %	-8.4%
EBIT margin	5.3 %	4.2 %	8.4 %	13.6 %	-62.0 %	-121.9%
Return on invested capital	31.7 %	26.2 %	55.3 %	78.6 %	-7.4 %	-24.9%
Solvency ratio	0.2 %	5.3 %	27.0 %	43.6 %	79.5 %	79.1%
Return on equity	-409.7 %	469.7 %	140.0 %	89.6 %	-21.8 %	-11.5%
Average number of full-time employees	**50**	**58**	**66**	**80**	**112**	**112**

The financial ratios have been prepared in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2010". For terms and definitions, please see the accounting policies.

The values in the above table regarding 2008-2012 and the first half year of 2013 concerns the former e-conomic International A/S Group.

2013 states proforma group values for the new e-conomic group with Farlax Bidco ApS as the new parent company, and includes values for the full calendar year as if the new group had existed the entire year, and not just the 6 month as represented in this annual report.

Management's review

Operating review

Principal activities of the Group

The e-conomic group develops cloud based accounting software to small and medium size businesses on a Software as a Service platform (SaaS). The service is provided from 8 European subsidiaries in Denmark, Norway, Sweden (including Finland), UK, Germany, Spain, Poland and France.

Development in activities and financial matters

Until July 2013 the parent company of the e-conomic group was e-conomic International A/S. HgCapital acquired the e-conomic Group in July 2013 through the new Danish parent company, Farlax Bidco Aps, which will report the consolidated financials for the e-conomic Group going forward.

2013's earnings and balance sheet are, to a large extent, affected by the new group setup. Goodwill capitalisation and amortisation are significantly impacting earnings compared to last year. 2013 is the first Annual Report for both the parent company and the new group and comparison of earnings is made more difficult as the year reported only consists of six months post-acquisition trading. A five-year pro forma comparison table has therefore been added to the Management Review.

Differences in earnings and equity between the consolidated and parent company

The Group earnings are due to different accounting principles not equal to the earnings of the parent company. The parent company recognizes investments in subsidiaries at cost while the Group recognizes them at net asset value (equity accounting). In the Group earnings Goodwill is amortized, but not in the parent company where the cost price of the acquisition is not amortized. Revenues and costs from a majority of the Group's activities are not included in the parent company's income statement.

Financial performance

The Group's net loss was 77,406 TDKK in 2013 (only seven months), and there is no comparison against last year as this is the first year of the new group structure. The main reason for the loss is the amortization of Goodwill. This does not raise any concern as it does not have a cash impact.

The best way to compare the 2013 operating performance against previous years is by looking at revenue and EBITDA in the pro forma five-year table where the full 12-month period can be seen.

Management's review

Operating review

The pro forma Group results for the full year show revenue growth of 26%. Management recognises this as a very strong performance.

Under the ownership of HgCapital, a leading European Software investor with over €6 billion assets under management, even more and better growth opportunities are available to e-conomic. Renewed initiatives to establish partnerships in other European markets and to invest more aggressively in development, sales and marketing are just a couple of the new developments. We expect this will lead to increased revenue growth in Denmark and especially in other European markets in the coming years.

Pro forma EBITDA is marginally ahead of budget and therefore management is satisfied with the outcome of the year. The pro forma EBITDA declined from 17,212 TDKK to -1,604 TDKK. This is mainly due to increased investment in building the base and structure for further growth as well as additional resources for the further development of both e-conomic and our relatively new entry-level product, Debitoor. Additional investment to prepare sales and marketing for increased growth outside Denmark was initiated in the second half of 2013.

Debitoor is expected to fulfil the needs of the large European freelance and micro-SME market. These customers only want limited accounting functionality and focus on ease of use as first-time accounting users.

About our new investor

In July 2013 HgCapital acquired a majority stake in e-conomic. Based in London and Munich, HgCapital invests in growth companies across Western Europe and manages over €6.2 billion for some of the world's leading institutional and private investors.

HgCapital is one of Europe's leading software investors and has invested in 20 TMT businesses over the last decade. Its current TMT portfolio generates combined revenues of over €1.4 billion. HgCapital's TMT-focused team comprises 18 investment professionals and has a strong record of supporting management teams in building industry champions combined with sustainable long-term revenue and employment growth.

In the last year alone, the current TMT portfolio has seen revenues rise by 9%, profits by 11% and employment by 7%. Across HgCapital's current portfolio, companies have seen their number of employees increase by over 50% since HgCapital's investment.

HgCapital is supporting e-conomic in its continued growth in Denmark (25 FTEs have already been added since HgCapital's investment) and further international expansion through its capital, industry and M&A know-how and network. The objective is to expand e-conomic's position as the leading SME accounting provider in Europe.

For further details, please see www.hgcapital.com.

Management's review

Operating review

Outlook

We think the online accounting market is still in its infancy and expect penetration to increase significantly over the next few years across Europe. Based on this increasing market penetration and further investment into our product range, we expect continued revenue growth of +25% for the Group in 2014 and in the coming years. With the additional capital available through HgCapital, we will continue our international expansion and invest into new markets.

Financing

Farlax Bidco A/S and the entire Group is currently financed through positive operating cash flows.

Investment in development activities

The Group continues to make significant investments in development and enhancement of the two software products: e-conomic; and our new freemium cloud accounting software, Debitoor. We plan to fully launch Debitoor in most major European markets in 2014 and expect the product to meet all important accounting needs for small businesses by the end of 2014. The Group's total investment in fixed assets amounts to 21,581 TDKK as at 31 December 2013.

Post-reporting events

No events have occurred since the year-end reporting period that could materially affect the Company's financial position.

Management's review

Operating review

Risk

Business risks

One of the key risks is increased competition. e-conomic is working hard to stay at the forefront of technology and delight its customers with the best products and services. e-conomic had a first mover advantage as the first cloud-based accounting software in Denmark when the company was founded in 2001 and has since solidified its market position as the leading player in the Danish market. Over the last few years some competitors have entered, forcing all players to stay innovative and deliver competitive offerings.

As the adoption of cloud solutions builds across Europe, e-conomic has increased its focus on other European markets to continue and further expand its position as the leading European SME-focused cloud accounting solutions provider.

Financial risks

The Group is exposed to fluctuations in exchange and interest rates due to its operating, investing and financing activities. The Group has a policy not to engage in speculation in financial risks. The Group's financial management is concentrated on managing existing financial risks.

Currency risks

Activities in several European countries with different currencies affect the Group results to some extent. This risk is mainly related to revenues in foreign subsidiaries and, to a limited degree, to foreign cost. As we view the risk as very limited the company does not hedge any currency exposure. Adjustments relating to investments in subsidiaries are recognised at Group level. Reported financials are directly in line with equity accounting. Currency risks relating to investments are not covered as it is our view that a hedging of such long-term investments would not be effective from an overall risk and cost perspective.

Intellectual capital

e-conomic's ambition is to be the market leader and at the technological forefront of our industry. This means that the e-conomic Group is continuously working on improving its product and technologies in this dynamic and fast-changing environment. This places great demands on the company when it comes to the collection and dissemination of new knowledge.

Management's review

Operating review

Environmental issues

The Group is environmentally conscious and continually works to reduce the environmental impact of all business operations.

Social Responsibility

The Group wants to develop its core business and meet strategic challenges in a financially and socially responsible manner. This means that we will live up to the laws and good corporate governance in all the countries in which we operate.

During the first half of 2014 we are also conducting an ESG (Environmental, Social and Governance) review with the consulting firm, PwC, to further improve in this area over the coming years.

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Accounting policies

The annual report of Farlax Bidco ApS for 2013 has been prepared in accordance with the provisions applying to reporting class C enterprises under the Danish Financial Statements Act.

Consolidated financial statements

The consolidated financial statements comprise the parent company, Farlax Bidco ApS, and subsidiaries in which Farlax Bidco ApS directly or indirectly holds more than 50 % of the voting rights or which it, in some other way, controls. Enterprises in which the Group holds between 20 % and 50 % of the voting rights and over which it exercises significant influence, but which it does not control, are considered associates.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets or liabilities at the acquisition date.

Business combinations

Enterprises acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the consolidated income statement until the date of disposal. The comparative figures are not adjusted for acquisitions or disposals.

Gains or losses on disposal of subsidiaries and associates are stated as the difference between the sales amount and the carrying amount of net assets at the date of disposal plus non-amortised goodwill and anticipated disposal costs.

Acquisitions of enterprises are accounted for using the acquisition method, according to which the identifiable assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted and announced plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of the restatement of assets and liabilities is taken into account.

Any excess of the cost over the fair value of the identifiable assets and liabilities acquired (goodwill), including restructuring provisions, is recognised as intangible assets and amortised on a systematic basis in the income statement based on an individual assessment of the useful life of the asset, not exceeding 7 years. Any excess of the fair values of the identifiable assets and liabilities acquired over the cost of the acquisition (negative goodwill), representing an anticipated adverse development in the acquired enterprises, is recognised in the balance sheet as deferred income and recognised in the income statement as the adverse development is realised.

Negative goodwill not related to any anticipated adverse development is recognised in the balance sheet at an amount corresponding to the fair value of non-monetary assets. The

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Accounting policies

amount is subsequently recognised in the income statement over the average useful lives of the non-monetary assets.

Goodwill and negative goodwill from acquired enterprises can be adjusted until the end of the year following the year of acquisition.

Intra-group business combinations

In connection with business combinations such as acquisition and disposal of equity investments, mergers, demergers, addition of assets and exchange of shares, etc., involving enterprises controlled by the parent company, the uniting-of-interests method is used. Differences between the agreed consideration and the carrying amount of the acquired enterprise are recognised in equity. Moreover, comparative figures for previous financial years are restated.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of intra-group balances with independent foreign subsidiaries which are considered part of the investment in the subsidiary are recognised directly in equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

On recognition of foreign subsidiaries which are integral entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the acquisition date or at the date of any subsequent revaluation or impairment of the asset. Income statement items are translated at the exchange rates at the transaction date, although items derived from non-monetary items are translated at the historical exchange rates applying to the non-monetary items.

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Accounting policies

Income statement

Revenue

Revenue from the sale of goods and services are recognized in the income statement provided that delivery and transfer of risk to the buyer has taken place before year end and that the income can be reliably measured and is expected to be received.

Accordingly, revenue corresponds to the selling price of work performed during the year.

Revenue is measured at the fair value of the agreed consideration ex. VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Other external costs

Other external costs include the costs of distribution, sales, marketing, administration, facilities, bad debt, operating leases, etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies as well as surcharges and refunds under the on-account tax scheme, etc.

Dividens from subsidiaries is recognised in the income statement of the parent company in the year when they are adopted at the annual general meeting (declaration date).

Tax on profit/loss for the year

The parent company is covered by the Danish rules on compulsory joint taxation of the Farlax Bidco Group's Danish subsidiaries. Subsidiaries form part of the joint taxation from the date on which they are included in the consolidation of the consolidated financial statements and up to the date on which they exit the consolidation.

The parent company is the administrative company for the joint taxation and consequently settles all corporation tax payments with the tax authorities.

The current Danish corporation tax is allocated by settlement of joint taxation contribution between the jointly taxed companies in proportion to their taxable income. In this relation, companies with tax loss carryforwards receive joint taxation contribution from companies that have used these losses to reduce their own taxable profits.

Tax for the year comprises current tax, joint taxation contributions for the year and changes in deferred tax for the year – due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Accounting policies

Balance sheet

Intangible assets

Goodwill

Goodwill is amortised over its estimated useful life determined on the basis of Management's experience of the specific business areas. Goodwill is amortised on a straight-line basis over a maximum amortisation period of 7 years, longest for strategically acquired enterprises with strong market positions and long-term earnings profiles.

Software

IT-software, including licenses are measured at cost less accumulated depreciation and impairment. Depreciation is provided on a straight-line basis over the expected economical lives of the assets. The expected depreciation period do not exceed 3 years.

Development projects, patents and licences

Development costs comprise costs, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement when incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is 3 to 10 years.

Gains and losses on the disposal of development projects are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Accounting policies

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Fixtures and fittings, tools and equipment	3-5 years

Depreciation is recognised in the income statement as depreciations.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Investments in subsidiaries

Investments in subsidiaries are measured at costs.

Impairment of non-current assets

The carrying amount of intangible assets and property, plant and equipment as well as investments in subsidiaries and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net cash flows from the use of the asset or the group of assets and expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses is made based on an individual assessment.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Accounting policies

Securities and investments

Unlisted securities are measured at fair value based on a calculated value in use.

Equity

Dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Corporation tax receivable" or "Corporation tax payable".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where different tax rules can be applied to determine the tax base, deferred tax is measured based on Management's planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Provisions

Provisions comprise anticipated costs related to warranties, losses on work in progress, restructurings, etc. Provisions are recognised when, as a result of past events, the Group has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Accounting policies

net realisable value or fair value. If the obligation is expected to be settled far into the future, the obligation is measured at fair value.

Warranties comprise obligations to make good any defects within the warranty period of one to five years. Provisions for warranties are measured at net realisable value and recognised based on past experience. Provisions expected to be maintained for more than one year from the balance sheet date are discounted at the average bond interest rate.

On acquisition of enterprises, provision for restructurings of the acquired enterprise is included in the calculation of the cost of acquisition and, accordingly, in goodwill or consolidated goodwill, provided that they have been adopted and announced not later than at the date of the acquisition.

If it is likely that total costs will exceed total income from a construction contract, a provision is made for the total loss anticipated on the contract. The provision is recognised in production costs.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual obligation on finance leases.

Other liabilities are measured at net realisable value.

Deferred income

Deferred income comprises negative goodwill, see the description of consolidation practice, and payments received concerning income in subsequent years.

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of enterprises is shown separately in cash flows from investing activities. Cash flows from acquisitions of enterprises are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of enterprises are recognised up until the date of disposal.

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Accounting policies

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are subject to an insignificant risk of changes in value.

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Accounting policies

Financial ratios

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2010".

The financial ratios stated in the survey of financial highlights have been calculated as follows:

EBITDA margin	$\frac{\text{EBITDA x 100}}{\text{Revenue}}$
EBIT margin	$\frac{\text{EBIT x 100}}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Operating profit x 100}}{\text{Average invested capital}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit from ordinary activities after tax x 100}}{\text{Average equity}}$

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Income statement

DKK'000	Note	Consolidated 2013 (1/6 - 31/12)	Parent company 2013 (1/6 - 31/12)
Revenue		63,815	4,680
Other external costs		-29,931	-826
Gross profit		33,884	3,854
Staff costs	1	-39,260	-3,619
Impairment and depreciation of fixed assets	5,6	-72,386	0
Operating profit/loss		-77,762	235
Financial income	2	484	384
Financial expenses	3	-128	-4
Profit/loss from ordinary activities before tax		-77,406	615
Tax on profit/loss from ordinary activities	4	8,947	-154
The Group's share of profit/loss for the year		-68,459	461

Proposed profit appropriation/distribution of loss

DKK'000

Retained earnings	-68,459	461
	-68,459	461

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Balance sheet

DKK'000	Note	Consolidated 2013	Parent company 2013
ASSETS			
Non-current assets			
Intangible assets	5		
Goodwill		588,149	0
Software		127,500	0
Development		21,370	0
		737,019	0
Property, plant and equipment	6		
Fixtures and fittings, tools and equipment		211	0
		211	0
Investments			
Investments in subsidiaries	7	0	761,331
Deposits		1,000	0
		1,000	761,331
Total non-current assets		738,230	761,331
Receivables			
Trade receivables		231	0
Amounts owed by subsidiaries		0	15,167
Other receivables		1,064	0
Prepayments	8	42	0
		1,337	15,167
Securities and investments		80	0
Cash at bank and in hand		16,193	3,097
Total current assets		17,610	18,264
TOTAL ASSETS		755,840	779,595

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Balance sheet

		Consolidated	Parent company
DKK'000	Note	2013	2013
EQUITY AND LIABILITIES			
Equity			
Share capital	9	66,666	66,666
Retained earnings		531,130	600,551
Proposed dividends		0	0
Total equity		597,796	667,217
Provisions			
Deferred tax	10	28,498	0
Other provisions	11	111,750	111,750
Total provisions		140,248	111,750
Current liabilities other than provisions			
Prepayments from customers		2,732	0
Trade payables		2,930	0
Corporation tax	12	399	0
Other payables		11,735	628
		17,796	628
Total liabilities other than provisions		17,796	628
TOTAL EQUITY AND LIABILITIES		755,840	779,595

Contractual obligations and contingencies, etc.	13
Mortgages and collateral	14
Related party disclosures	15

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Statement of changes in equity

	Consolidated			
DKK'000	Share capital	Retained earnings	Proposed dividends	Total
Equity at 1 June 2013	0	0	0	0
Investment contribution, establishment	80	0	0	80
Capital increase	66,586	600,090	0	666,676
Transferred, see profit appropriation/distribution of loss	0	-68,459	0	-68,459
Foreign currency translation adjustments, foreign subsidiaries	0	-501	0	-501
Equity at 31 December 2013	66,666	531,130	0	597,796

	Parent company			
DKK'000	Share capital	Retained earnings	Proposed dividends	Total
Equity at 1 June 2013	0	0	0	0
Investment contribution, establishment	80	0	0	80
Capital increase	66,586	600,090	0	666,676
Transferred, see profit appropriation	0	461	0	461
Equity at 31 December 2013	66,666	600,551	0	667,217

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Cash flow statement

DKK'000	Note	Consolidated 2013
Operating loss		-77,762
Depreciation and amortisation		72,386
Other adjustments of non-cash operating items		-458
Cash generated from operations (operating activities) before changes in working capital	16	-5,834
Changes in working capital	17	122,681
Cash generated from operations (operating activities)		116,847
Interest received		0
Interest paid		-128
Cash generated from operations (ordinary activities)		116,719
Corporation tax paid		-1,324
Cash flows from operating activities		115,395
Acquisition of intangible assets	5	-4,501
Acquisition of property, plant and equipment	6	-46
Acquisition of subsidiaries and activities	18	-761,331
Cash flows from investing activities		-765,878
Shareholders:		
Capital increase		666,676
Cash flows from financing activities		666,676
Net cash flows from operating, investing and financing activities		16,193
Cash and cash equivalents at 1 June		80
Cash and cash equivalents at 31 December		16,273

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements and the parent company financial statements.

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Notes to the financial statements

	DKK'000	Consolidated 2013 (1/6 - 31/12)	Parent company 2013
1	**Staff costs**		
	Wages and salaries	36,951	3,540
	Pensions	1,786	75
	Other social security costs	523	4
		39,260	3,619
	Average number of full-time employees	112	2

In accordance with section 98B (3) of the Danish Financial Statements Act, we have not disclosed the remuneration of Management, as the Executive Board consists of only one member.

The Board of Directors of the group and the parent company received no remuneration for 2013.

	DKK'000	Consolidated 2013 (1/6 - 31/12)	Parent company 2013
2	**Financial income**		
	Interest income from subsidiaries	0	384
	Foreign exchange gains	484	0
		484	384
3	**Financial expenses**		
	Other interest income	128	0
	Foreign exchange losses	0	4
		128	4
4	**Tax on the profit/loss for the year**		
	Current tax for the year	795	154
	Change of tax prior year	44	0
	Adjustment of deferred tax	-9,786	0
		-8,947	154
	Specified as follows:		
	Tax on the profit/loss for the year	-8,947	154
	Tax on changes in equity	0	0
		-8,947	154

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Notes to the financial statements

5 Intangible assets

	Consolidated			
DKK'000	Development	Software	Goodwill	Total
Cost at 1 June 2013	0	0	0	0
Additions on acquisition of subsidiaries	30,507	150,000	633,391	813,898
Additions	1,501	3,000	0	4,501
Cost at 31 December 2013	32,008	153,000	633,391	818,399
Impairment losses and amortisation at 1 June 2013	0	0	0	0
Additions on acquisition of subsidiaries	9,050	0	0	9,050
Amortisation	1,588	25,500	45,242	72,330
Impairment losses and amortisation at 31 December 2013	10,638	25,500	45,242	81,380
Carrying amount at 31 December 2013	21,370	127,500	588,149	737,019
Amortised over	3-10 years	2-3 years	7 years	

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Notes to the financial statements

6 Property, plant and equipment

DKK'000	Consolidated Fixtures and fittings, tools and equipment
Cost at 1 June 2013	0
Additions on acquisition of subsidiaries	222
Additions	46
Cost at 31 December 2013	268
Impairment losses and amortisation at 1 June 2013	0
Additions on acquisition of subsidiaries	0
Amortisation	57
Impairment losses and amortisation at 31 December 2013	57
Carrying amount at 31 December 2013	211
Amortised over	3-5 years

DKK'000	Parent company 2013
7 Investments in subsidiaries	
Cost at 1 June	0
Additions	761,331
Cost at 31 December	761,331
Value adjustments at 1 June	0
Value adjustments at 31 December	0
Carrying amount at 31 December	761,331

DKK'000

Name	Registered office	Ownership	Capital and reserves	Profit/loss for the year	Carrying amount
e-conomic international A/S	Copenhagen	100%	8,088	7,197	761,331

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Notes to the financial statements

DKK'000	Consolidated 2013	Parent company 2013

8 Prepayments

Other prepayments	42	0
	42	0

9 Share capital

The share capital consist of 66,666 thousand shares of nominal 1 DKK. No shares have been ascriped special rights.

10 Deferred tax

Deferred tax at 1 June	0	0
Addiotions on acquisition of subsidiary	38,284	0
Adjustment of deferred tax	-9,215	0
Reduction of the Danish corporation tax rate from 25% to 22% up to 2016	-571	0
Deferred tax at 31 December	28,498	0

Deferred tax relates to:

Intangible assets	32,052	
Property, plant and equipment	-172	0
Tax loss carryforward	-3,382	0
	28,498	0

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Notes to the financial statements

DKK'000	Consolidated 2013	Parent company 2013
11 Other provisions		
Other provisions 1. june 2013		0
Provision for the year	111,750	111,750
Other provisions at 31 December	111,750	111,750
The provisions are expected to be payable in:		
0-1 year	0	0
1-5 years	111,750	111,750
> 5 years	0	0
Other provisions at 31 December	111,750	111,750
12 Corporation tax payable		
Corporation tax payable at 1 June	0	0
Acquisition of subsidiary	-81	0
Tax on taxable income for the year, including jointly taxed subsidiaries	795	0
Corporation tax paid during the year	-315	
Corporation tax payable at 31 December	399	0

13 Contractual obligations and contingencies, etc.

Contingent liabilities

The parent company is jointly taxed with the Danish subsidiaries. The companies included in the joint taxation have joint and unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

Operating lease obligations

The Group's companies have entered into leases with a total obligation on 32 mio. DKK.

14 Mortgages and collateral

As security for balances with banks in the subsidiary company e-conomic international A/ S, are registered company charges DKK 10 million, secured on assets and equipment, goodwill, domain name and other intellectual property rights.

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Notes to the financial statements

15 Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the voting rights or minimum 5% of the share capital:

e-conomic international MidCo S.á.r.l
7A rue
Robert Stumper
Luxemborg L-2557

DKK'000	Consolidated 2013
16 Cash generated from operations (operating activities) before changes in working capital	
Revenue and other operating income	63,815
Costs	-69,191
Adjustment for non-cash operating items etc.:	
Other adjustments of non-cash operating items	-458
	-5,834
17 Changes in working capital	
Change in receivables	9,894
Change in trade and other payables	112,787
	122,681

Consolidated financial statements and parent company financial statements for the period 1 June – 31 December

Notes to the financial statements

	DKK'000	Consolidated 2013
18	**Acquisition of subsidiaries and activities**	
	Intangible assets	171,456
	Property, plant and equipment	222
	Receivables	12,189
	Cash	16,290
	Deferred tax	-38,284
	Other payables etc	-15,875
		144,230
	Goodwill	633,391
	Cost of acquisition	777,621
	Cash	-16,290
	Cost of acquisition paid in cash	761,331